

# Supplement No. 1 to Gazette No. 16 of 13th March, 2009

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# LEGAL NOTICE NO. 31 OF 2009

# Lesotho Communications Authority (Universal Access Fund) Rules, 2009

Pursuant to section 16(2) of the Lesotho Communications Authority Act, 2000, the Authority makes the following Rules -

# Citation and commencement

1. These Rules may be cited as the Lesotho Communications Authority (Universal Access Fund) Rules, 2009 and shall come into operation on the date of publication in the Gazette.

## Interpretation

- 2. In these Rules, unless the context otherwise requires -
  - "Act" means the Lesotho Communications Authority Act, 2000;
  - "Authority" means the Lesotho Communications Authority as established under the Act;
  - "Board" means the Board of the Authority as established under the Act;
  - "Committee" means the Universal Access Fund Committee established under rule 4 of the Rules;
  - "Fund" means Universal Access Fund as established under the Rules; and
  - "Minister" means Minister as defined under section 2 of the Act.

## **Objectives**

- 3. The objectives of the Rules are -
  - (a) to provide for universal access in accordance with section 48 of the Act, through the establishment of the Universal Access Fund;

(b) to provide for administration of the Fund and matters incidental thereto.

#### Universal Access Fund

- 4. (1) There is established a Universal Access Fund.
  - (2) The revenue to the Universal Access Fund shall comprise of -
    - (a) the revenue from the Authority, which shall make -
      - (i) an initial contribution of M10 million; and
      - (ii) contribution of 25 percent of annual surplus;
    - (b) annual contributions of 1% of net operating income from licensed network operators, from the year starting on the 1st April 2008 and payable by the 31st March 2009, which shall be payable to the Authority;
    - (c) Parliamentary appropriations as Government contribution; and
    - (d) grants and levies.
- (3) The Fund shall be used to make services designated as universal access communications services available in areas identified by the Committee and finance the operating costs of the Committee.

#### **Universal Access Fund Committee**

- 5. (1) There is established the Universal Access Fund Committee which shall be the committee of the Board.
  - (2) The Committee shall consist of -
    - (a) the Chairman of the Board of the Authority who shall be the Chairman of the Committee;
    - (b) a representative of the Ministry of Communications –

who shall be the vice-chairman;

- (c) a representative of the Ministry of Local Government;
- (d) a representative of the Lesotho Electricity Company;
- (e) a representative of the Ministry of Finance.
- (3) The Committee shall meet as determined by the Chairman.
- (4) Members of the Committee shall be entitled to a sitting allowance to be determined by the Board.
  - (5) The Authority shall serve as the Treasurer of the Committee.

#### **Functions of the Committee**

- 6. (1) The Committee shall be responsible for -
  - (a) management and administration of the Fund;
  - (b) mandating operators to provide their three year rural network expansion programme to the Committee;
  - (c) consulting with the operators on the list of areas for universal coverage to be included in the annual universal access plan;
  - (d) adopting and publishing annual universal access plan;
  - (e) allocating funds for specific universal access projects;
  - (f) adopting transparent and competitive procurement practices;
  - (g) monitoring expenditure of funds allocated;
  - (h) adopting a manual of procedures; and
  - (i) reporting on its activities at such times as the Board

## may direct.

(2) The Committee shall perform its functions outlined in sub-rule 6(1)(a) in consultation with the Minister.

## The Secretary

- 7. (1) The Authority shall appoint a Secretary to the Committee.
- (2) The Secretary shall be appointed by the Authority on a one year renewable contract on such terms as the Authority may determine.
  - (3) The Secretary shall -
    - (a) execute the decisions of the Committee;
    - (b) transact day-to-day business of the Committee;
    - (c) record all proceedings of the Committee; and
    - (d) perform such other duties as may be directed by the Committee.
- (4) The Secretary shall participate in all deliberations of the Committee but shall not vote.
- (5) The remuneration of the Secretary shall be drawn from the Fund.

#### **Universal Access Services**

- 8. (1) The following services shall be the universal access communications services:
  - (a) basic voice telephony shall be the primary service to be provided under the fund; and
  - (b) internet access and broadcasting signal transmission shall be secondary services to be provided by the fund.

- (2) The Committee shall first satisfy itself that objectives in respect of primary service have been met before engaging in the provision of secondary services.
- (3) Notwithstanding sub-rule 8(2) the Committee shall make proposals to facilitate provision of secondary services.

## **Universal Access Fund Recipients**

- 9. Only licensees of the Authority shall be eligible to receive monies from the Universal Access Fund and such recipients shall -
  - (a) provide complete and accurate reports on expenditure;
  - (b) provide detailed reports on the activities undertaken under the Fund; and
  - (c) co-operate fully with any investigation or audit relating to the Fund.

# MONEHELA POSHOLI CHIEF EXECUTIVE OF THE AUTHORITY AND SECRETARY TO THE BOARD

#### NOTE

1. Act No. 5 of 2000, as amended by Act No. 4 of 2006